

1-1 By: Nichols, Eltife, Williams S.B. No. 1668
1-2 (In the Senate - Filed March 10, 2009; March 20, 2009, read
1-3 first time and referred to Committee on Agriculture and Rural
1-4 Affairs; May 4, 2009, reported favorably by the following vote:
1-5 Yeas 3, Nays 1; May 4, 2009, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to application requirements and performance standards for
1-9 agricultural biomass and landfill diversion incentive grants.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Section 22.001, Agriculture Code, is amended to
1-12 read as follows:

1-13 Sec. 22.001. POLICY AND PURPOSE. It is the policy of this
1-14 state and the purpose of this chapter to reduce air pollution,
1-15 improve air quality, protect public health, help this state
1-16 diversify its energy supply, and divert waste from landfills
1-17 through new price-support incentives to encourage the generation of
1-18 ~~[construction of facilities to generate]~~ electric energy with
1-19 certain types of agricultural residues, forest wood waste, urban
1-20 wood waste, storm-generated biomass debris, and energy-dedicated
1-21 crops.

1-22 SECTION 2. Section 22.003, Agriculture Code, is amended by
1-23 amending Subsection (b) and adding Subsection (b-1) to read as
1-24 follows:

1-25 (b) Subject to Section 22.005, a farmer, logger, or diverter
1-26 is entitled to receive a grant in the amount of \$20 for each
1-27 bone-dry ton of qualified agricultural biomass, forest wood waste,
1-28 urban wood waste, or storm-generated biomass debris provided by the
1-29 farmer, logger, or diverter in a form suitable for generating
1-30 electric energy to a facility that:

1-31 (1) is located in this state;

1-32 (2) ~~[was placed in service after August 31, 2009;~~

1-33 ~~[(3)]~~ generates electric energy for its own use or for
1-34 sale [sold] to a third party by using qualified agricultural
1-35 biomass, forest wood waste, urban wood waste, or storm-generated
1-36 biomass debris;

1-37 (3) ~~[(4)]~~ uses the best available emissions control
1-38 technology, considering the technical practicability and economic
1-39 reasonableness of reducing or eliminating the air contaminant
1-40 emissions resulting from the facility;

1-41 (4) ~~[(5)]~~ maintains its emissions control equipment
1-42 in good working order; and

1-43 (5) ~~[(6)]~~ is in compliance with its operating permit
1-44 issued by the Texas Commission on Environmental Quality under
1-45 Chapter 382, Health and Safety Code.

1-46 (b-1) Consistent with Subsection (d), the commissioner by
1-47 rule shall establish:

1-48 (1) requirements an applicant must comply with to be
1-49 eligible for a grant under this chapter;

1-50 (2) performance standards that must be met by a
1-51 recipient of a grant under this chapter;

1-52 (3) audit procedures that ensure that the recipient of
1-53 a grant meets the performance standards established by this
1-54 section; and

1-55 (4) procedures for recovering grant funds from a
1-56 recipient who fails to meet the requirements or standards
1-57 established by the commissioner for the grant.

1-58 SECTION 3. The Texas Department of Agriculture shall adopt
1-59 rules consistent with Section 22.003, Agriculture Code, as amended
1-60 by this Act, not later than December 1, 2009.

1-61 SECTION 4. This Act takes effect September 1, 2009.

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